



SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 227, 230, 239, and 240

[Release Nos. 33-11098; 34-95715]

Inflation Adjustments under Titles I and III of the JOBS Act

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: To effectuate inflation adjustments required under Title I and Title III of the Jumpstart Our Business Startups Act (“JOBS Act”), we are adopting amendments to adjust the thresholds in the definition of “emerging growth company” as well as dollar amounts in Regulation Crowdfunding.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Charlie Guidry, Special Counsel, Office of Small Business Policy, at (202) 551-3460, Division of Corporation Finance, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION: We are adopting amendments to 17 CFR 227.100(a)(2) (“Rule 100(a)(2)”) and 17 CFR 227.201(t) (“Rule 201(t)”) of 17 CFR 227.100 *et seq.* (“Regulation Crowdfunding”); 17 CFR 230.405 (“Rule 405”) and 17 CFR 239.900 (“Form C”) under the Securities Act of 1933 (“Securities Act”); and 17 CFR 240.12b-2 (“Rule 12b-2”) under the Exchange Act of 1934 (“Exchange Act”).

I. Introduction

Title I of the JOBS Act¹ added Securities Act Section 2(a)(19) and Exchange Act Section 3(a)(80) to define the term “emerging growth company”² (“EGC”). Pursuant to the statutory

¹ Public Law 112–106, 126 Stat. 306 (2012).

² Section 101(a) of the JOBS Act amended Section 2(a) of the Securities Act [15 U.S.C. 77b(a)] and Section 3(a) of the Exchange Act [15 U.S.C. 78c(a)] to define an “emerging growth company” as an issuer with less than \$1 billion

definition, the Commission is required every five years to index to inflation the annual gross revenue amount used to determine EGC status to reflect the change in the Consumer Price Index for All Urban Consumers (“CPI-U”) published by the Bureau of Labor Statistics (“BLS”).³ In 2017, the Commission increased the annual gross revenue amount from \$1,000,000,000 to \$1,070,000,000.⁴ We are adopting amendments to our rules to reflect the next statutorily required inflation adjustment to the annual gross revenue amount.

Title III of the JOBS Act added Securities Act Section 4(a)(6),⁵ which provides an exemption from the registration requirements of Securities Act Section 5⁶ for certain crowdfunding transactions, and the Commission promulgated Regulation Crowdfunding⁷ to implement that exemption. Sections 4(a)(6) and 4A⁸ of the Securities Act set forth dollar amounts used in connection with the crowdfunding exemption, and Section 4A(h)(1)⁹ states that such dollar amounts shall be adjusted by the Commission not less frequently than once every five years to reflect the change in the CPI-U published by the BLS. Pursuant to this directive, the

in total annual gross revenues during its most recently completed fiscal year. If an issuer qualifies as an EGC on the first day of its fiscal year, it maintains that status until the earliest of (1) the last day of the fiscal year of the issuer during which it has total annual gross revenues of \$1 billion or more; (2) the last day of its fiscal year following the fifth anniversary of the first sale of its common equity securities pursuant to an effective registration statement; (3) the date on which the issuer has, during the previous three-year period, issued more than \$1 billion in non-convertible debt; or (4) the date on which the issuer is deemed to be a “large accelerated filer” (as defined in Exchange Act Rule 12b-2). *See* Section 2(a)(19) of the Securities Act [15 U.S.C. 77b(a)(19)] and Section 3(a)(80) of the Exchange Act [15 U.S.C. 78c(a)(80)]. A “large accelerated filer” is an issuer that, as of the end of its fiscal year, has an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$700 million or more, as measured on the last business day of the issuer's most recently completed second fiscal quarter; has been subject to the requirements of Section 13(a) or 15(d) of the Exchange Act for a period of at least twelve calendar months; has filed at least one annual report pursuant to Section 13(a) or 15(d) of the Exchange Act; and is not eligible to use the requirements for smaller reporting companies under the revenue test in paragraph (2) or (3)(iii)(B) of the “smaller reporting company” definition. *See* Exchange Act Rule 12b-2.

³ The CPI-U is the statistical metric developed by the BLS to monitor the change in the price of a set list of products. The CPI-U represents changes in prices of all goods and services purchased for consumption by urban households. *See* “Consumer Price Index” available at <https://www.bls.gov/cpi>.

⁴ *See* Inflation Adjustments and Other Technical Amendments Under Titles I and III of the Jobs Act, Release Nos. 33–10332; 34–80355 (Mar. 31, 2017) [82 FR 17545 (Apr. 12, 2017)] (“2017 Release”).

⁵ 15 U.S.C. 77d(a)(6).

⁶ 15 U.S.C. 77e.

⁷ 17 CFR 227.100 *et seq.*; *see also* Crowdfunding, Release No. 33–9974 (Oct. 30, 2015) [80 FR 71388] (“Crowdfunding Release”).

⁸ 15 U.S.C. 77d-1.

⁹ 15 U.S.C. 77d-1(h)(1).

Commission adjusted the amounts for inflation in the 2017 Release. We are amending Regulation Crowdfunding to again adjust those dollar amounts for inflation pursuant to the statutory requirement.

II. Inflation Adjustments to the Definition of “Emerging Growth Company”

JOBS Act Section 101 amended Section 2(a)(19) of the Securities Act and Section 3(a)(80) of the Exchange Act to define “emerging growth company” to mean an issuer that had total annual gross revenues of less than \$1 billion, as such amount is indexed for inflation every five years by the Commission to reflect the change in the CPI-U during its most recently completed fiscal year. By statute, the adjusted gross revenue threshold must be set to the nearest \$1,000,000. Pursuant to this directive, the Commission, in the 2017 Release, adjusted the threshold from \$1,000,000,000 to \$1,070,000,000. Today, we are adopting an amendment to Rule 405 and to Rule 12b-2 to again index the annual gross revenue amounts included in the definition of “emerging growth company” for inflation to reflect the change in the CPI-U as required by statute.

To determine the new EGC gross revenue threshold to be included in the amendments, we use the same baseline thresholds and CPI-U and the same methodology that the Commission used in the 2017 Release. First, we determine the appropriate CPI-U for December of the calendar year preceding the year of adjustment. Because we are making the inflation adjustment for the definition of EGC in 2022, we use the CPI-U for December 2021, which was 278.802 (“2021 CPI-U”). Consistent with the 2017 Release, we then use the CPI-U for December of 2011, the calendar year before the EGC definition was established by the JOBS Act, which was 225.672 (“2011 CPI-U”).

Second, we calculate the cost-of-living adjustment or inflation factor. To do this, we divide the 2021 CPI-U by the 2011 CPI-U. The resulting inflation factor is 1.23543.¹⁰

¹⁰ As in the 2017 Release, we round the inflation factor to the nearest hundred thousandth.

Third, we calculate the raw inflation adjustment, which is the inflation adjustment before rounding. To do this, we multiply the initial EGC gross revenue threshold, \$1,000,000,000, by the inflation factor 1.23543, the product of which is \$1,235,430,000.

Fourth, we round the raw inflation amounts according to the convention set forth in the statutory definition.¹¹ Because we round only the increased amount, we calculate the increased amount by subtracting the initial EGC gross revenue threshold from the raw maximum inflation adjustment. Accordingly, the increase in the EGC gross revenue threshold from the initial threshold is \$235,430,000 (*i.e.*, \$1,235,430,000 less \$1,000,000,000), which is rounded to \$235,000,000 under the statutory rounding convention.

Finally, we add the rounded increase, \$235,000,000, to the initial EGC revenue threshold, \$1,000,000,000, which yields an inflation-adjusted EGC revenue threshold of \$1,235,000,000. The amendments to the “emerging growth company” definitions in Securities Act Rule 405 and Exchange Act Rule 12b-2 we are adopting reflect this adjusted threshold.

III. Inflation Adjustments to Regulation Crowdfunding Thresholds

Title III of the JOBS Act amended the Securities Act to add Section 4(a)(6), which provides an exemption from the registration requirements of Section 5 of the Securities Act for certain crowdfunding transactions. In 2015, the Commission adopted Regulation Crowdfunding to implement that exemption.¹² Sections 4(a)(6) and 4A of the Securities Act set forth dollar amounts used in connection with the crowdfunding exemption,¹³ and Section 4A(h)(1)¹⁴ states that those dollar amounts shall be adjusted by the Commission not less frequently than once

¹¹ See Section 2(a)(19) of the Securities Act and Section 3(a)(80) of the Exchange Act, which require the amount to be set to the nearest \$1,000,000.

¹² See Crowdfunding Release.

¹³ Section 4(a)(6)(A) sets forth the maximum amount an issuer may sell in reliance on the crowdfunding exemption in a 12-month period, and Section 4(a)(6)(B) sets limits on the dollar amount that may be sold to any investor by an issuer in reliance on the crowdfunding exemption. These amounts, as adjusted in the 2017 Release, are reflected in 17 CFR 227.100. Section 4A(b)(1)(D) sets forth thresholds for determining the level of financial statements required, and those thresholds, as adjusted in the 2017 Release, are reflected in Rule 201(t).

¹⁴ 15 U.S.C. 77d-1(h)(1).

every five years to reflect any changes in the CPI-U. Pursuant to this directive, the Commission, in the 2017 Release, adjusted those dollar amounts to reflect the inflation adjustment for the prior five-year period from December 2011 until December 2016, and we are again amending Rules 100(a)(2) and 201(t) and Form C to adjust for inflation the dollar amounts set forth in these rules and in the form as required by the statute.

To determine the adjusted dollar amounts for Rule 100(a)(2) and Rule 201(t), we use the same process as described above in connection with the EGC adjustment to determine the raw inflation amounts.¹⁵ Then we round the raw inflation amounts to the nearest \$100 for amounts under \$100,000 and to the nearest \$1,000 for amounts that equal or exceed \$100,000. The rounded inflation amounts are then added to the initial inflation amounts to yield the inflation-adjusted amounts. Tables 1 and 2 show the current amounts, initial amounts, rounded inflation amounts, and inflation-adjusted amounts for Rules 100(a)(2) and 201(t).¹⁶

Table 1: Inflation-Adjusted Amounts in Rule 100(a)(2) of Regulation Crowdfunding (Investment Limits)

Regulation Crowdfunding Rule	Current Amount	Initial Amount	Rounded Inflation Amount	Inflation-Adjusted Amount
Threshold for assessing investor’s annual income or net worth to determine investment limits (17 CFR 227.100(a)(2)(i) (“Rule 100(a)(2)(i)”) and 17 CFR 227.100(a)(2)(ii) (“Rule 100(a)(2)(ii)”)	\$107,000	\$100,000	\$24,000	\$124,000
Lower threshold of Regulation Crowdfunding securities permitted to be sold to an investor if annual income or net worth is less than \$124,000 (Rule 100(a)(2)(i))	\$2,200	\$2,000	\$500	\$2,500

¹⁵ The 2021 CPI-U is divided by the 2011 CPI-U to derive the inflation factor of 1.23543. Each dollar amount is then multiplied by the inflation factor to determine the raw inflation adjusted amount. Then, to derive the Rounded Inflation Amount in the charts, we subtract that product by the original dollar amount and apply the rounding convention. The Inflation-Adjusted Amount is the sum of the Initial Amount and Rounded Inflation Amount.

¹⁶ We have reflected the adjusted amounts for the financial statement thresholds where those are referenced in Question 29 of the “Optional Question & Answer Format” portion of Form C.

Maximum amount that can be sold to an investor under Regulation Crowdfunding in a 12-month period (Rule 100(a)(2)(ii))	\$107,000	\$100,000	\$24,000	\$124,000
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Table 2: Inflation-Adjusted Amounts in Rule 201(t) of Regulation Crowdfunding (Financial Statement Requirements)

Regulation Crowdfunding Rule	Current Offering Threshold Amount	Initial Offering Threshold Amount	Rounded Inflation Amount	Inflation-Adjusted Amount
17 CFR 227.201(t)(1)	\$107,000	\$100,000	\$24,000	\$124,000
17 CFR 227.201(t)(2)	\$535,000	\$500,000	\$118,000	\$618,000
17 CFR 227.201(t)(3)	\$1,070,000	\$1,000,000	\$235,000	\$1,235,000

When the Commission adjusted the Regulation Crowdfunding dollar amounts in April 2017 for inflation pursuant to the statutory directive, those adjustments included setting the offering limit in 17 CFR 227.100(a)(1) (“Rule 100(a)(1)”) at \$1,070,000. Adjusting the offering limit amount for inflation using the same method we use for the adjustments in Rules 100(a)(2) and 201(t) would result in an offering limit of \$1,235,000 (\$1,000,000 baseline plus \$235,000 inflation adjustment). However, effective March 2021, the Commission increased the Rule 100(a)(1) threshold by \$3,930,000 (from \$1,070,000 to \$5,000,000).¹⁷ Accordingly, we consider the current Rule 100(a)(1) offering limit to more than account for inflation and are making zero further inflation adjustments to this threshold at this time.¹⁸

IV. Procedural and Other Matters

The Administrative Procedure Act (“APA”) generally requires an agency to publish notice of a rulemaking in the Federal Register and provide an opportunity for public comment.

¹⁷ See Facilitating Capital Formation and Expanding Investment Opportunities by Improving Access to Capital in Private Markets, Release Nos. 33–10884; 34–90300; IC– 34082 (Nov. 2, 2020) [86 FR 3496 (Jan. 14, 2021)] (“2020 Release”).

¹⁸ For the next statutorily-required adjustment, we expect that the Commission will use \$5 million as the baseline from which the adjustment will be calculated.

This requirement does not apply, however, if the agency “for good cause finds . . . that notice and public procedure are impracticable, unnecessary, or contrary to the public interest.”¹⁹

The implementation of statutory inflation adjustments pursuant to Title I and Title III of the JOBS Act do not impose any new substantive regulatory requirements on any person. The amendments to implement the statutory inflation adjustments will effectuate the adjusted dollar amount thresholds mandated by the JOBS Act and involve minimal discretion. For these reasons, for good cause, we find that it is unnecessary to publish notice of these amendments in the Federal Register and solicit public comment thereon.²⁰

For similar reasons, although the APA generally requires publication of a rule at least 30 days before its effective date, we find there is good cause for the amendments to take effect on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].²¹

If any of the provisions of these amendments, or the application thereof to any person or circumstance, is held to be invalid, such invalidity shall not affect other provisions or application of such provisions to other persons or circumstances that can be given effect without the invalid provision or application.

Pursuant to the Congressional Review Act, the Office of Information and Regulatory Affairs has designated these amendments not a “major rule,” as defined by 5 U.S.C. 804(2).

V. Economic Analysis

We are mindful of the costs imposed by, and the benefits to be obtained from, our rules. Section 2(b) of the Securities Act and Section 3(f) of the Exchange Act require the Commission, whenever it engages in rulemaking and is required to consider or determine whether an action is

¹⁹ 5 U.S.C. 553(b)(3)(B).

²⁰ This finding also satisfies the requirements of 5 U.S.C. 808(2), allowing the amendments to become effective notwithstanding the requirement of 5 U.S.C. 801 (if a federal agency finds that notice and public comment are impractical, unnecessary or contrary to the public interest, a rule shall take effect at such time as the federal agency promulgating the rule determines). The amendments also do not require analysis under the Regulatory Flexibility Act. *See* 5 U.S.C. 604(a) (requiring a final regulatory flexibility analysis only for rules required by the APA or other law to undergo notice and comment).

²¹ *See* 5 U.S.C. 553(d)(3).

necessary or appropriate in the public interest, to consider, in addition to the protection of investors, whether the action would promote efficiency, competition, and capital formation.²² In addition, Section 23(a)(2) of the Exchange Act requires the Commission, when making rules under the Exchange Act, to consider the impact such rules would have on competition.²³ Section 23(a)(2) of the Exchange Act also prohibits the Commission from adopting any rule that would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.²⁴ Below we address the costs and benefits, as well as the potential effects on efficiency, competition, and capital formation, of the various amendments being adopted in this release. Because the amendments merely implement the statutory inflation adjustments mandated by the JOBS Act, we do not believe there are reasonable alternatives to the amendments discussed in this analysis.

To comply with the inflation adjustments required under the JOBS Act, we are adopting amendments that include an inflation-adjusted threshold in the definition of the term “emerging growth company.” These amendments adjust the total annual gross revenue threshold for EGCs in accordance with inflation as required by the JOBS Act. The amendments will increase the number of eligible filers that may qualify for scaled disclosure, thereby reducing disclosure costs in the aggregate, to the extent that eligible filers take advantage of the EGC accommodations.

We note that this inflation adjustment affects both domestic issuers and foreign private issuers. We estimate that during calendar year 2021 approximately 7,199 issuers filed annual reports²⁵ (excluding asset-backed securities issuers and registered investment companies, which are ineligible for the EGC status). We estimate that approximately 1,704 (23.7%) of those filers

²² See 15 U.S.C. 77b(b) and 15 U.S.C. 78c(f).

²³ See 15 U.S.C. 78w(a)(2).

²⁴ *Id.*

²⁵ This estimate is based on the number of filers, by unique Central Index Key, with at least one periodic report on Form 10-K, Form 20-F, Form 40-F, or an amendment thereto, filed between January 1 and December 31, 2021.

were EGCs and 5,495 (76.3%) were non-EGCs.²⁶ In addition, we estimate that among those filers, approximately 6,232 filed on domestic forms (of which approximately 1,391 (22.3%) were EGCs) and 967 were foreign private issuers that filed on Forms 20-F and 40-F (of which approximately 313 (32.4%) were EGCs).

The inflation adjustment to the total annual gross revenue threshold for EGCs is designed to maintain the scope of registrants that may qualify as an EGC, preserving the economic effects associated with the option to claim EGC status. It does so by not allowing the level of revenue, in real terms, that determines the eligibility for EGC status to be diminished by inflation. The inflation adjustment amendment may marginally expand the number of issuers that may claim EGC status, thus extending the economic effects, including impacts on efficiency, competition, and capital formation, of the option to claim this status to issuers that fall between the current \$1,070,000,000 gross revenue threshold and the \$1,235,000,000 gross revenue threshold that will define EGC eligibility under the amendments. Using the number of filers and the distribution of filer revenues in calendar year 2021, we estimate that the inflation adjustment of the EGC revenue threshold will increase the overall number of EGCs by 51, from approximately 1,704 (23.7% of the total number of filers (7,199)) to approximately 1,755 (24.4% of the total number of filers (7,199)); among them, the number of domestic issuers that qualify as EGCs would increase by 45, from approximately 1,391 (22.3% of the total number of domestic-form filers (6,232)) to approximately 1,436 (23.0% of the total number of domestic-form filers (6,232)), while the number of foreign private issuers that qualify as EGCs will increase by 6, from approximately 313 (32.4% of the total number of Form 20-F and 40-F filers (967)) to approximately 319 (33.0% of the total number of Form 20-F and 40-F filers (967)).²⁷

²⁶ EGC status data was obtained from Ives Group's Audit Analytics ("Audit Analytics") and staff review of EDGAR filings.

²⁷ The estimates of filers newly eligible as EGCs under the amendments are based on the number of calendar year non-EGC filers, excluding asset-backed securities issuers and registered investment companies (which are ineligible as EGCs) and excluding large accelerated filers (which also are ineligible as EGCs), with nonmissing revenue data in Audit Analytics (most recent revenues as of the end of calendar year 2021) that exceed the existing revenue

For the purposes of analyzing the economic effects of the amendments to Regulation Crowdfunding, we use as our baseline the regulatory framework established by Regulation Crowdfunding as adopted in 2015 (and amended in 2017 and 2020).²⁸ The amendments to Regulation Crowdfunding adjust the thresholds in Rules 100(a)(2) and 201(t) in accordance with inflation as required by Section 4A(h) of the Securities Act and are not expected to increase disclosure or compliance costs incurred by an issuer. The adjustment will cause some issuers to become subject to less extensive financial statement requirements and may lower disclosure or compliance costs for these issuers.²⁹ The adjustment will also increase the amounts of securities that may be sold to a given investor, which may expand some issuers' ability to raise capital and some investors' ability to gain exposure to Regulation Crowdfunding investment opportunities.

The inflation adjustment to the thresholds in Rules 100(a)(2) and 201(t) is intended to allow these thresholds to keep pace with inflation, preserving the economic effects of Regulation Crowdfunding in real terms.³⁰ For example, the inflation adjustments to the financial statement thresholds in Rule 201(t) will ensure that issuers can continue to utilize higher offering amounts without incurring the increased cost of complying with the higher tier of financial statement requirements that would apply absent the amendments.

Substantively, the inflation adjustments to Rule 100(a)(2) and Rule 201(t) marginally affect the amount of capital that issuers may raise in reliance on Regulation Crowdfunding without incurring the costs of compliance with a higher tier of financial statement requirements,

threshold but do not exceed the inflation-adjusted revenue threshold, where revenue data is available. Revenue data is unavailable for approximately 1.5% of non-EGCs, which may result in a slight underestimate of the number of newly eligible EGCs. As a caveat, it is possible that some companies included in the above estimates would be ineligible as EGCs for reasons not captured in the estimate, for example, because they were previously EGCs and have "aged out" of the status or exceeded the non-convertible debt threshold, which may result in a slight overestimate of the number of newly eligible EGCs. Finally, the estimates are based on the universe of registrants from calendar year 2021. Future changes to the number and characteristics of new entrants and deregistering companies would also affect these projections.

²⁸ See Crowdfunding Release; *see also* 2017 Release and 2020 Release.

²⁹ See Crowdfunding Release at 71497.

³⁰ *Id.* at 71482.

the number of investors who may participate in crowdfunding offerings, and the amounts that investors may invest in crowdfunding offerings.

Because we believe the substantive impact of these amendments to our rules and forms is likely to be marginal, we do not believe that they will substantially impact efficiency, competition, and capital formation.

VI. Paperwork Reduction Act

The amendments effecting the statutory inflation adjustments do not make any substantive modifications to any existing collection of information requirements or impose any new substantive recordkeeping or information collection requirements within the meaning of the Paperwork Reduction Act of 1995 (“PRA”).³¹ Accordingly, we are not revising any burden and cost estimates in connection with these amendments.

Statutory Authority

The amendments contained in this release are being adopted under the authority set forth in Sections 2, 4(a)(6), 4A, and 19(a) of the Securities Act; Sections 3 and 23(a) of the Exchange Act; and Sections 102, 103, and 107 of the JOBS Act.

List of Subjects

17 CFR Part 227

Crowdfunding, Reporting and recordkeeping requirements, Securities.

17 CFR Part 230

Advertising, Administrative practice and procedure, Confidential business information, Investment companies, Reporting and recordkeeping requirements, Securities.

17 CFR Part 239

Administrative practice and procedure, Reporting and recordkeeping requirements, Securities.

³¹ 44 U.S.C. 3501 *et seq.* The amendments to reflect the statutory inflation adjustments to certain dollar amount thresholds in Titles I and III of the JOBS Act will have only marginal effects on the application of these thresholds for eligibility and reporting purposes and therefore are not expected to affect the overall burden estimates for affected forms. *See* Section V above.

17 CFR Part 240

Administrative practice and procedure, Reporting and recordkeeping requirements, Securities.

TEXT OF THE FINAL RULE AND FORM AMENDMENTS

For the reasons set out in the preamble, the Commission is amending title 17, chapter II of the Code of Federal Regulations as follows:

PART 227—REGULATION CROWDFUNDING, GENERAL RULES AND REGULATIONS

1. The authority citation for part 227 continues to read as follows:

Authority: 15 U.S.C. 77d, 77d-1, 77s, 77z-3, 78c, 78o, 78q, 78w, 78mm, and Pub. L. 112-106, secs. 301-305, 126 Stat. 306 (2012).

2. Amend § 227.100 by:

a. In paragraph (a)(2)(i), removing reference to “\$2,200” and adding in its place “\$2,500”; and removing “\$107,000” and adding in its place “\$124,000”; and

b. In paragraph (a)(2)(ii), removing the two references to “\$107,000” and adding in their place “\$124,000.”

3. Amend § 227.201 by:

a. In paragraph (t)(1), removing reference to “\$107,000” and adding in its place “\$124,000”;

b. In paragraph (t)(2), removing reference to “\$107,000” and adding in its place “\$124,000”; and removing reference to “\$535,000” and adding in its place “\$618,000”; and

c. In paragraph (t)(3), removing the two references to “\$535,000” and adding in their place “\$618,000”; and removing reference to “\$1,070,000” and adding in its place “\$1,235,000.”

PART 230 — GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

4. The authority citation for part 230 continues to read as follows:

Authority: 15 U.S.C. 77b, 77b note, 77c, 77d, 77f, 77g, 77h, 77j, 77r, 77s, 77z-3, 77sss, 78c, 78d, 78j, 78l, 78m, 78n, 78o, 78o-7 note, 78t, 78w, 78ll(d), 78mm, 80a-8, 80a-24, 80a-28, 80a-29, 80a-30, and 80a-37, and Pub. L. 112-106, sec. 201(a), sec. 401, 126 Stat. 313 (2012), unless otherwise noted.

* * * * *

5. In § 230.405, amend the definition “Emerging growth company” by:

a. In paragraph (1), removing reference to “\$1,070,000,000” and adding in its place “\$1,235,000,000”; and

b. In paragraph (2)(i), removing reference to “\$1,070,000,000” and adding in its place “\$1,235,000,000.”

PART 239 — FORMS PRESCRIBED UNDER THE SECURITIES ACT OF 1933

6. The authority citation for part 239 continues to read as follows:

Authority: 15 U.S.C. 77c, 77f, 77g, 77h, 77j, 77s, 77z-2, 77z-3, 77sss, 78c, 78l, 78m, 78n, 78o(d), 78o-7 note, 78u-5, 78w(a), 78ll, 78mm, 80a-2(a), 80a-3, 80a-8, 80a-9, 80a-10, 80a-13, 80a-24, 80a-26, 80a-29, 80a-30, and 80a-37; and sec. 107, Pub. L. 112-106, 126 Stat. 312, unless otherwise noted.

7. Amend Form C (referenced in Section 239.900) by revising the dollar amounts in Question 29 of the “OPTIONAL QUESTION & ANSWER FORMAT FOR AN OFFERING STATEMENT” as follows:

Note: The text of Form C does not, and this amendment will not, appear in the Code of Federal Regulations.

a. Removing all references to “\$107,000” and adding in their place “\$124,000”; and

b. Removing all references to “\$535,000” and adding in their place “\$618,000”; and

c. Removing reference to “\$1,070,000” and adding in its place “\$1,235,000.”

**PART 240 – GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE
ACT OF 1934**

8. The general authority citation for part 240 continues to read as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z-2, 77z-3, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78c-3, 78c-5, 78d, 78e, 78f, 78g, 78i, 78j, 78j-1, 78k, 78k-1, 78l, 78m, 78n, 78n-1, 78o, 78o-4, 78o-10, 78p, 78q, 78q-1, 78s, 78u-5, 78w, 78x, 78dd, 78ll, 78mm, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4, 80b-11, 7201 *et seq.*; and 8302; 7 U.S.C. 2(c)(2)(E); 12 U.S.C. 5221(e)(3); 18 U.S.C. 1350; and Pub. L. 111-203, 939A, 124 Stat. 1376, (2010); and Pub. L. 112-106, sec. 503 and 602, 126 Stat. 326 (2012), unless otherwise noted.

9. In § 240.12b-2, amend the definition “Emerging growth company” by:

a. In paragraph (1), removing reference to “\$1,070,000,000” and adding in its place “\$1,235,000,000”; and

b. In paragraph (2)(i), removing reference to “\$1,070,000,000” and adding in its place “\$1,235,000,000.”

By the Commission.

Dated: September 9, 2022.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2022-19867 Filed: 9/19/2022 8:45 am; Publication Date: 9/20/2022]